

Message Text

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20

ACTION EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 AID-20 CIAE-00 COME-00

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 TAR-02 DRC-01

/116 W

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R 010800Z FEB 74

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 2863

INFO AMEMBASSY DUBLIN

AMEMBASSY COPENHAGEN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY BONN

AMEMBASSY ROME

AMEMBASSY LUXEMBOURG

AMEMBASSY BRUSSELS

AMEMBASSY TOKYO

USMISSION OECD PARIS

USMISSION EC BRUSSELS

UNCLAS THE HAGUE 0556

E.O. 11652: N/A

TAGS: EFIN, NL

SUBJ: REMOVAL BY NETHERLANDS OF CAPITAL IMPORT RESTRICTION

("O"-GUILDER CURCUI)

1. BEGINNING FEB 1, 1974 THE SO-CALLED "O"-GUILDER BOND CIRCUIT WILL BE ABOLISHED BY THE GON. UNDER THE "O"-GUILDER CIRCUIT, ESTABLISHED IN SEPTEMBER 1971, NON-RESIDENTS WERE NOT PERMITTED TO PURCHASE NEW GUILDER-DENOMINATED BONDS FROM RESIDENTS, EXCEPT WITH "O"-GUILDERS, WHICH COULD BE OBTAINED BY NON-RESIDENTS ONLY THROUGH SALE TO RESIDENTS OF GUILDER-DENOMINATED BONDS. (THE AIM OF THE GUILDER-CIRCUIT WAS TO PREVENT DESTABILIZING AND SPECULATIVE CAPITAL INFLOWS TO THE NETHERLANDS AT A TIME OF UNCLASSIFIED

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UPWARD PRESSURE ON THE GUILDER).

2. THE ELIMINATION OF THE BOND CIRCUIT IS PROMPTED BY THE
WEAKER DUTCH BALANCE OF PAYMENTS OUTLOOK, THE STRONGER DOLLAR
AND THE ELIMINATION BY THE U.S. OF CAPITAL FLOW RESTRAINTS.
GOULD

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GUILDER, CURRENCIES, BONDS (SECURITIES), BALANCE OF PAYMENTS, IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 01 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974THEHA00556
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: THE HAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740260/aaaacenf.tel
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Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 08 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 MAR 2002 by elbezefj>; APPROVED <31 MAY 2002 by golinofr>
Review Markings:

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US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: REMOVAL BY NETHERLANDS OF CAPITAL IMPORT RESTRICTION ("O"-GUILDER CURCUIT)
TAGS: EFIN, NL
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005